

March 18, 2008

REQUEST FOR COMMENTS
Land Banking Proposal
Woods Bay, Section 20, T26N, R19W

To Adjacent Landowners and Interested Parties:

Under provisions of the Land Banking Program, the Montana Department of Natural Resources and Conservation (DNRC) is currently considering the sale of 440 acres of school trust land in section 20, T26N, R19W east of Hwy 35 near Woods Bay on Flathead Lake.

The 2003 State Legislature passed statutes 77-2-361 through 367-MCA authorizing the Department of Natural Resources and Conservation (DNRC) to sell State Trust Land and utilize those funds to purchase replacement lands for the school trust through a process called Land Banking. The intent of the program is to dispose of scattered tracts of state trust land that generally do not have legal access, do not show a history of contributing income to the school trust, nor the potential to do so in the future, and are otherwise difficult to manage. The Woods Bay tract described above meets all three of these criteria.

Funds from the sale of this tract will be used to purchase properties that are blocked, or are contiguous to state land that has legal access, are more efficient to manage, and have the potential for increasing State Trust Land revenues.

The statute placed limits on the amount of Trust Land that can be sold under Land Banking prior to an evaluation of the merits of the program by the Legislature in 2009. DNRC can sell no more than 100,000 acres per year.

We are beginning the environmental analysis under the Montana Environmental Policy Act to assess the impacts that may occur in connection with the proposed land sale. The analysis is to be completed prior to presenting the proposal to the State Land Board for preliminary approval. If approval is received from the Board, the Department would then conduct an appraisal to determine the estimated value and recommended minimum bid price. The proposed land banking sale would then be brought back before the Land Board to establish the minimum acceptable bid for the tract and approval to proceed with the sale process. It is anticipated this would occur by the end of this calendar year.

By this letter, DNRC is requesting comments under the Montana Environmental Policy Act regarding the possible sale of the above described tract. Comments will be considered if received no later than **April 21, 2008**, and may be sent to:

Greg Poncin
Kalispell Unit
2250 Highway 93 N.
Kalispell, MT 59901
Or
Email: gponcin@mt.gov

Additional information on the Land Banking process is available on the web site at:
http://www.dnrc.mt.gov/trust/land_banking/default.asp

If you have further questions you may call me at (406) 751-2263.

Sincerely

Greg Poncin
Kalispell Unit Manager
MT DNRC

